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REPORT

OF

THE SECRETARY OF WAR,

OF

A SYSTEM, PROVIDING FOR THE ABOLITION

OF THE

EXISTING INDIAN TRADE ESTABLISHMENTS

OF THE

UNITED STATES,

AND

PROVIDING FOR THE OPENING OF THE TRADE

WITH

THE INDIANS TO INDIVIDUALS,

UNDER SUITABLE REGULATIONS.

DECEMBER 8, 1818.

Read, and referred to the committee on Indian Affairs.

WASHINGTON:

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1818.

REPORT

Of the Secretary of War, of a system, providing for the abolition of the existing Indian trade establishments of the United States, and providing for the opening of the trade with the Indians to individuals, under suitable regulations.

DEPARTMENT OF WAR,

December 5, 1818.

SIR,

In compliance with a resolution of the House of Representatives, of the 4th of April, 1818, directing the Secretary of War to prepare and report, at their next session, "a system providing for the abolition of the existing Indian trade establishments of the United States, and providing for the opening of the trade with the Indians to individuals, under suitable regulations," I have the honor to make the following report:

The nations of Indians, who inhabit this portion of our continent, were, on its first discovery, in a state of the most perfect commercial independence. Their knowledge of the useful arts, was indeed, very limited; but it was commensurate with their wants and desires. With their rude implements of husbandry, their hook, and bow, in the construction of which they were well instructed, they drew a scanty, but for them, a sufficient supply from the soil, the water, and the forest. A great change has since taken place, such as appears to be inevitable, by a fixed law of nature, in the intercourse between a civilized and savage people. Helplessness has succeeded independence. While their wants have been greatly multiplied and enlarged, by their intercourse with their more civilized neighbours, their knowledge, even of their former rude arts, has been lost, without acquiring those which are necessary in their new condition. The manufacture of the axe and the hoe, by which they now clear and cultivate the soil; and the gun and ammunition, by which they take their game,

are far above their skill; and with the exhaustion of the present stock, without a new supply, they would be reduced to extreme want. On trade then, with those from whom they can draw these and other supplies, they are wholly dependant. We have the exclusive right to trade with those within our limits; and cut off as the southern tribes are, by our acquisition in the late war, from intercourse with foreigners on the side of the Gulf of Mexico, we have the means, by a proper extension of our posts, on the lakes, the Mississippi, and the Missouri, (to effect which, measures have already been taken,) to enforce effectually, without much additional expense, this important right. The period seems then to have arrived, to give to our control over the Indians, through an exclusive supply of their wants, the greatest efficiency; and to promote theirs, and our interest, by a judicious system of trade, fairly and justly directed.

A similar view of this branch of our trade, seems to have been taken at an early period by our government. It directed its attention to this interesting and important subject, as early as the year 1775, when a committee was appointed by Congress, to devise a plan for carrying on trade with the Indians. In the next year, a very considerable purchase of goods was directed to be made, for the Indian trade; and trade with them, except under license and bond, was strictly prohibited. The subject was frequently acted on, during the confederation; but no systematic effort was made to regulate it, till 1786, when an ordinance was passed, dividing the Indian department into two districts, and appointing a superintendent, with a deputy to each. It was made their duty to execute such regulations, as Congress might establish in relation to Indian affairs; to correspond with the Secretary of War, through whom, their communications were directed to be made to Congress; to obey the instructions of the War Department; and to grant license to trade with Indians. This ordinance directed, that no license should be granted to foreigners, and only to citizens, whose good moral character should be certified, by the governor of a state, under the seal of the state, and that bonds should be given, to conform to established regulations. Licenses were granted, to continue in force for one year only, and upon the payment of fifty dollars. To trade without license, incurred a penalty of five hundred dollars, and forfeiture of goods. The superintendents and their deputies were prohibited from engaging in trade.

The change in the form of the government, a few years after the passing of this ordinance, and the debility into which public affairs fell, about the termination of the confederation, prevented this judicious system from being carried into effect.

Under the present constitution, the subject of Indian trade attracted the attention of Congress, as early as the year 1790. The system of trade by licenses was retained, which were directed to be granted for two years, by persons to be appointed by the President, to applicants of good character, who gave bonds to conform to regulations; and to trade without license was subjected to a forfeiture of

merchandise. The act contains no prohibitions of foreigners, and requires nothing to be paid for the licenses. In the years 1793, and 1796, acts were passed very similar in their provisions to the one just recited; and in the year 1802. an act repealing former acts, and which still continues in force, was passed. It inflicts a fine of one hundred dollars, and imprisonment not exceeding thirty days, in addition to the forfeiture of goods for trading without license; and directs licenses to be granted on bond, with sufficient security to conform to law and regulations, without making a good character, or citizenship a requisite.

By an act of 1816, the last passed on this subject, foreigners are prohibited from trading with the Indians, except permitted by the President, and under such regulations as he should establish. Instructions have been given under this act to prohibit foreigners from passing into the Indian country, except as boatmen, and, under certain conditions, as interpreters.

The system of trade by public factors, now proposed to be abolished, commenced in the year 1796; but without superceding the original mode of carrying on the trade by license. The President was authorized to establish trading houses, and to appoint an agent to each house to carry on, as the act states. "a liberal trade with the Indians." The act appropriated \$ 150,000, as the capital of this trade, and the additional sum of \$ 8,000 annually for the payment of agents and clerks; and directed the trade to be carried on, so as not to diminish the capital. It was limited to two years; but was by a subsequent act continued in force till 1806. A superintendent of Indians was then appointed, and the capital increased to \$ 260,000, and \$ 13,000 was annually appropriated for the payment of superintendent, agents, and clerks. This act was limited to three years; but afterwards continued in force till 1811. The capital was then increased to three hundred thousand dollars, with an annual appropriation of \$ 19,250 for the payment of superintendent, agents, and clerks. It was limited to three years; but has been extended by subsequent acts to the first of March next.

The capital at present is distributed among eight trading houses, or factories, established at the following places: fort Mitchell, the Chickasaw Bluffs; fort Confederation, on the Tombigbee; fort Osage, on the Missouri; Prairi du Chien, on the Mississippi; Sulphar Fork, on Red Rive; Green Bay, and Chicago.

Such is the rise, progress, and present condition of our Indian trade. It was commenced, and has been continued from motives both of prudence and humanity; and though it may not have fully realized the expectations of its friends, it has no doubt produced beneficial effects. If wars have not been entirely prevented by it, they, probably without it, would have been more frequent; and, if the Indians have made but little advances in civilization, they probably without it would have made less. If greater effects have not resulted, it is to be attributed not to a want of dependence on the part

of the Indians on commercial supplies, but to defects in the system itself, or in its administration. Scarcely any attempt has been made till lately to exclude foreigners, and the granting of licenses, has not been subject to those checks, which are necessary to give to it the most salutary effects.

Should it be thought unadvisable to continue the present trading system by factories, by permitting the act to expire, by its limitation, on the first of March next, it will then of course terminate. In winding up its concerns, two points are to be regarded; to sustain as little loss as possible; and to withdraw from the trade gradually, in order that the capital employed, may be supplied from other sources. To effect both of these objects, I would suggest, that so much of the act of 1811, as authorizes the appointment of a superintendent and factors, be continued in force for one year; and that they be authorized to make sales, as heretofore, of the goods and effects on hand, and those which may be acquired from the Indians.

The superintendent of Indian trade should also be authorized and directed to exhibit at his office, for inspection, an inventory of the stock in trade, with the property attached to the respective factories; and he should be directed to sell the same on the best terms offered, provided the sales can be effected at cost and charges. It would be proper to allow considerable credit upon approved bonds and security; and the President ought to be empowered to annex, as the condition of the sale, if he should think it advisable, to sell the goods to the Indians, at the place at which the factory is established; provided, the sales can be effected within the period of one year. The factory at fort Clarke, being established by a treaty with the Great and Little Osages in the year 1803, must be continued by the government, or sold out subject to the condition of being continued so long as the Indians may desire it. It would perhaps be advisable to direct a new treaty, rescinding on suitable compensation the stipulation referred to.

The establishment would by these means terminate gradually, without the hazard of any considerable losses.

To provide for opening the trade to individuals, under suitable regulations, is a task of much greater difficulty. The vast extent of the country inhabited by the Indians; and the numbers and variety of the tribes, render it impossible to apply, with propriety, any one uniform system to the whole. The various tribes for the purpose of trade may, however, be comprehended in two classes. Those in our immediate neighborhood, surrounded by our settlements and our military posts, and who from long intercourse with us, have become partially civilized; and those more remote, who still retain their original character and customs. In the former are comprehended the four southern tribes, the Osages and the small tribes immediately west of the Mississippi, those within the limits of Illinois, Indiana, Ohio, and that part of the Michigan territory, east of lake Michigan. The latter comprehends all of the tribes without

those limits. I propose to consider the system of trade best calculated for each division beginning with the former.

After giving the subject that full consideration which its importance merits, it appears to me, that the provisions of the ordinance of 1786, with a few additions and modifications, particularly in the administrative part, so as to adjust it to our present form of government are, for this division of our Indian trade, the best that can be devised. The provisions of the acts, now in force in relation to licenses, are not as well guarded, or as efficient, as those of the ordinance referred to. The introduction of the factories seems to have relaxed the attention of government to the system of trade under license. I would then propose to assume the provisions of the ordinance referred to, as the basis of a system to open the trade with the contiguous tribes of Indians, to individual enterprise. Instead however of appointing two superintendents, I would propose a superintendent of Indian affairs to be attached to the War Department, with a salary of \$ 3,000 per annum. The superintendent to be under the control of the Secretary of War, and to be charged, subject to such regulations as the President may prescribe, with the correspondence, superintendence, and general management of Indian affairs; and to be authorized, with the approbation of the Secretary of War, to grant license to trade with the Indians. Licenses to be granted to citizens of good moral character, and to continue in force till revoked. A sum not less than one hundred dollars, nor more than five hundred dollars, to be determined under regulations to be prescribed by the President, to be paid, for the privilege of using it, at the time of granting the license, and annually during its continuance; and bonds with sufficient security to be taken to conform to law and regulations. Licenses to be revoked by the President whenever he may judge proper. To trade without license, to subject to a fine not exceeding one thousand dollars, and imprisonment not to exceed six months; with a forfeiture of the goods. Licenses to be granted to trade at specified places, to be selected by the applicants, and not to be changed without the consent of the superintendent. All peddling and sales of spirituous liquors to be strictly prohibited. Each trading house, or establishment, to require a separate license; and books to be kept at the establishment, in which the prices of the goods sold, and the articles purchased, should be regularly and fairly entered; and to be subject at all times to the inspection of the Indian agent, or such persons as the superintendent may appoint.

The reasons for most of these provisions are so obvious, as to require no illustration. They will all be passed over, accordingly, without observation, except the provisions, which requires the payment of an annual sum for the use of license; and that which require the trading establishment to be fixed. The former provision is taken from the ordinance of 1786, which directed licenses to be granted for one year only, and on payment of fifty dollars to the superintendent for the use of the United States; a sum nearly equal to that now

proposed, if the value of money at that time be taken into consideration.

But it will probably be objected, that it is our interest, and as we propose to monopolise their trade, our duty too, to furnish the Indians with goods, on as moderate terms as possible; and that the sum to be paid for a license, by acting as a duty on the goods sold under it, will tend to enhance their price. In answer to which it may be justly observed, that it is not a matter of so much importance, that they should obtain their supplies for a few cents more or less, as that the trade should, as far as practicable, be put effectually under the control of the government, in order, that they may be protected against the fraud and the violence to which their ignorance and weakness would, without such protection, expose them. It is this very ignorance and weakness, which render it necessary for the government to interfere; and if such interference is proper at all, it ought to be rendered effectual. Such will be the tendency of this provision. Its first, and obvious effects, will be to diminish more certainly, and with less injurious effect, than any other provision which can be devised, the number of traders; and to increase the amount of capital which each would employ. The profit of a small capital of a few hundred dollars, would scarcely pay for the license; while that on a large one, would not be much diminished by it. Both of these effects, the diminution of the number of traders, and the increase of the capital, would add greatly to the control of the government over the trade. It would be almost impossible to inspect the conduct, and consequently control the actions of the multitude of traders, with small capitals, diffused over the Indian country, and settled at remote and obscure places. The greatest vigilance, on the part of the superintendent and his agents, would be unequal to the task. By diminishing the number, and bringing each more permanently before the view of the government, a due inspection and superintendence becomes practicable. Again, what control can the government have over the conduct of a trader, with a capital of a few hundred dollars only? Suppose he should violate the express injunctions of law and regulations; what serious loss would he sustain by revoking his license, or by putting his bond in suit? To him it would be nothing to wind up his business, and give his capital another direction; and as to the bond, in such distant and obscure transactions, he might pretty safely calculate on escaping its penalty. Very different would be the case, with the trader of a large capital. To revoke his license, would be a serious evil, which must subject him to certain loss; and should he break the conditions of his bond, he would be much more in danger of feeling its penalty. The control of the government would not only be greater over such traders, but what is of equal importance, their influence with the Indians, would have a more salutary direction. A war, between them and us, would, in all cases, be injurious, and in many cases, would be ruinous to the trader of a large capital; but not so, with one of small capital. A sin-

gle profitable speculation may be of more importance to him, than the continuance of peace. From the effects of war, he can as easily escape, as from the revocation of his license, or the penalty of his bond. Let the character of the former be what it may, he must, from interest, be the advocate of peace, and the influence of his own government; while the latter, unless influenced by virtuous motives, would feel in either but little interest.

From the nature of the trade, the more it can be concentrated, provided, there is reasonable competition, the better it will be for the Indians and ourselves. The very opposite, it is true, would be the fact, if they had the capacity and intelligence to take care of their own interest, without our protection; but situated as they are, indefinite competition would be no less injurious to them, than to our citizens; and such appear to be their sentiments. The Chickasaws, in a late treaty, complained of the injury which they had sustained, from peddlars and small traders; and they had a stipulation inserted, against the granting of any license to trade with their nation, as the only effectual means which suggested itself to prevent it.

The reasons for fixing the trading establishments, are no less strong. By rendering them stationary, and compelling the proprietor to keep books, containing regular entries of all their sales and purchases, important checks will be presented to prevent fraud and exorbitant charges. It will also strongly tend to prevent collision between the traders, and, consequently, the creation of parties among the Indians, for or against particular traders; a state of things unfriendly to their interest, and dangerous to the peace of the frontier. Besides, the trading establishments being fixed, as they will be, in the most advantageous positions, will, in time, become the nucleus of Indian settlements, which, by giving greater density and steadiness to their population, will tend to introduce a division of real property, and thus hasten their ultimate civilization.

Such are the provisions under which the trade with those tribes of Indians in our immediate neighborhood, may with safety and advantage be opened to individual enterprise. With a vigilant administration, it will produce results equally salutary to the Indians and ourselves. In fact, the knowledge of the use of money, and the prices of most of the ordinary articles of trade, is so far advanced among them, as to guard them, to a considerable extent, against mere fraud and imposition; and with the control, which the government may exercise over the trade with them, they would generally receive their supplies on fair and moderate terms. The system is not less calculated to secure peace. The regular traders, who have paid for the use of their licenses, will be the most active to prevent vexatious peddling and retailing of spirituous liquors, which are the bane of the frontier. They will, besides, become the most active promoters of industry, for the almost total destruction of game has rendered the amount of peltries and furs of little value in this branch of Indian trade, and the capacity of paying for the goods purchased, must con-

sequently in a great measure, depend on the proceeds of the soil. In fact the neighboring tribes are becoming daily less warlike, and more helpless and dependent on us through their numerous wants, and they are rendered still more pacific by the fear of forfeiting their lands and annuities. They have in a great measure ceased to be an object of terror, and have become that of commiseration. The time seems to have arrived, when our policy towards them should undergo an important change. They neither are in fact, nor ought to be considered as independent nations. Our views of their interest, and not their own, ought to govern them. By a proper combination of force and persuasion, of punishments and rewards, they ought to be brought within the pales of law and civilization. Left to themselves, they will never reach that desirable condition. Before the slow operation of reason and experience, can convince them of its superior advantages, they must be overwhelmed by the mighty torrent of our population. Such small bodies with savage customs and character, cannot, and ought not, to be permitted to exist in an independent concution in the midst of civilized society. Our laws and manners ought to supercede their present savage manners and customs. Beginning with those most advanced in civilization, and surrounded by our people, they ought to be made to contract their settlements within reasonable bounds, with a distinct understanding, that the United States intended to make no further acquisition of land from them, and that the settlements reserved are intended for their permanent home. The land ought to be divided among families; and the idea of individual property in the soil carefully inculcated. Their annuities would constitute an ample school fund; and education, comprehending as well the common arts of life, as reading, writing, and arithmetic, ought not to be left discretionary with the parents. Those who might not choose to submit, ought to be permitted and aided in forming new settlements at a distance from ours. When sufficiently advanced in civilization, they would be permitted to participate in such civil and political rights, as the respective states within whose limits they are situated, might safely extend to them. It is only by causing our opinion of their interest to prevail, that they can be civilized and saved from extinction. Under the present policy, they are continually decreasing and degenerating; notwithstanding the government has, under all of its administrations, been actuated, by the most sincere desire to promote their happiness and civilization. The fault has been, not in the want of zeal, but in the mode, which it has been attempted to effect these desirable objects. The Indians are not so situated as to leave it to time and experience to effect their civilization. By selecting prudently the occasion for the change, by establishing a few essential regulations, and by appointing persons to administer them fairly and honestly, our efforts could scarcely fail of success. Nor ought it to be feared, that the power would be abused on our part, for, in addition to the dictates of benevolence, we have

a strong interest in their civilization. The enmity, even of the frontier settlers towards them, is caused principally by the imperfection of the present system, and under the one which I have suggested, it will greatly abate, if not entirely subside. The natural humanity and generosity of the American character, would no longer be weakened by the disorders and savage cruelty to which our frontiers are now exposed. A deep conviction of the importance of the subject, and a strong desire to arrest the current of events, which if permitted to flow in their present channel, must end in the annihilation of those who were once the proprietors of this prosperous country, must be my apology for this digression.

It remains to consider in what manner our trade can be the most successfully prosecuted, with the numerous Indian tribes, who occupy the vast region extending west to the Pacific Ocean. It is obvious that the system proposed for the partially civilized tribes, bordering on our settlements, would prove altogether inadequate to this branch of our Indian trade. It will require a system of far more energy to effect the great objects, which ought to be pursued through it. To establish a decided control over the numerous and savage tribes within these vast limits, and to give to our trade with them its utmost extension, are deemed to be objects of great national importance. It is believed that within our limits, along the range of the Rocky Mountain, quite to the Mexican frontier, is the best region for fur and peltries on this continent. With proper efforts, the whole of this valuable trade extending quite across to the great western ocean, would, in a few years, be exclusively in our possession. To produce these desirable results, foreign adventurers, whose influence must at all times be hostile to our interest, and dangerous to our peace, must be excluded. With this view, and to protect our own trade, means have been taken to extend our military posts on the Mississippi and Missouri. Whatever character our trade in that quarter may assume, the extension of our posts, as contemplated, will be indispensable to its enlarged and successful prosecution; but it is believed that with all of the advantages, which they will afford, unless the trade be properly and efficiently organized, we shall not be able to compute, with entire success, with the British companies on the north, nor to acquire that decided control over the Indians, which is indispensable to its complete success.

In order to have just ideas on this subject, it is necessary to take into consideration, not only the vast extent and remoteness of the region, over which, it is proposed to extend our trade, but the character of the numerous tribes, who inhabit it. They are all more or less migratory; in the summer moving towards the north, and in the winter to the south, in pursuit of the Buffalo, and other game. They are thus, in the summer, brought into the neighborhood of the British establishments to the north of our limits, where, notwithstanding our military posts and the advantage of our position, much of

the trade and influence over these fierce and warlike tribes will center, unless our means of carrying it on should be as well organized and efficient as theirs. The difficulty, though of an opposite kind, is no less considerable on the southern frontier, of this portion of our country. The line between us and the Spanish possessions in Mexico, is in its whole extent a subject of discussion; and even should it be adjusted, will probably, to a considerable extent, be without natural and visible boundaries. To a trade thus situated, extending over so vast a region, inhabited by numerous tribes not less warlike than savage, with the competition of powerful and long established companies, on one side, and danger of collision on the other, the unorganized efforts of individuals, always with jarring, and frequently with opposing, interest, appear to be wholly inadequate to its successful, or safe prosecution. The rivalry of trade, which in well regulated communities, gives the greatest prosperity to commerce, would, in these distant regions, beyond the control of law, or superior authority, amongst fierce and ignorant savages, lead to the most fatal consequences. Each trader, or association of traders would endeavor to monopolize the trade within certain limits, and would exert their cunning and influence to render the savages their partizans, and the enemy of their rivals in trade. Among a people at once so fierce and so easily duped, the result may be readily anticipated. A state of disorder and violence would universally prevail, equally unfortunate to the Indians and ourselves; and which would strongly tend to turn the trade, and with it the influence over the Indians to the well organized foreign fur companies near our limits.

If these observations are correct; if the uncombined efforts of individuals are inadequate to a successful competition with the British fur companies; if they will endanger our peace with our southern neighbors, and lead to fierce and dangerous rivalry among themselves, it only remains to consider, whether a mode can be devised of carrying on this branch of our Indian trade, which will obviate these evils, and accomplish the desirable objects of giving the greatest extension to it, accompanied with the most efficient control over the Indians themselves.

The united influence and combined efforts of the fur companies referred to, can be met successfully, it is believed, only by an equal concentration of influence, and efforts on our part; the jealous rivalry of independent traders, with its fatal consequences, can be obviated only by removing the diversity of interest by which it would be excited, and the danger of collision, on our southern limits, by subjecting the trade completely to the will and control of the government. The mode then, which I would propose, would be to vest the trade in a company with sufficient capital; to be divided into shares of one hundred dollars each; and to be limited to the term of twenty years; to pay an annual tax on its subscribed capital, for the privilege of exclusive trade, and to be subject, in like manner, as private traders, to such rules and regulations as may be prescribed. It

is thus that most of the evils to be apprehended by leaving the trade open to the competition of private adventurers would, it is believed, be avoided. The efforts of the company, undisturbed by rival interests, would be directed to establish its control over the various tribes of Indians to exclude foreign adventurers, and to give the greatest degree of profits to its trade. The success of such a company, properly conducted, scarcely admits of a doubt. Our position in regard to this trade; the facility which the navigation of our great and numerous rivers in that quarter would afford; and the protection from our military posts, would speedily destroy all foreign competition, and would, in a few years, push our trade to the Pacific Ocean. The most profitable fur and peltry trade in the world would be ours, accompanied with a decided influence over the numerous and warlike tribes inhabiting those extensive regions. The mere objection, that it would create a monopoly ought not to outweigh so many advantages. The trade with the Indians has never been opened, without restrictions to our citizens. Licenses from the government have at all times been required; and the government has itself, thought its factories, to a considerable extent, monopolized the trade; and by an extension of its capital only, might engross the whole of it. All of these provisions, however necessary, in the Indian trade, would be absurd in any other branch of our commerce. Besides, the profit of the trade with the Indians, has, at all times, been confined to a few individuals; and it is highly probable that a greater portion of the community would participate in it by carrying it on in the manner proposed, than in any other mode. In fact, absurd as commercial monopoly would be, where law and authority exist to repress the mischievous effects, which might spring from unbounded rivalry, and to give to such rivalry, salutary consequences; just in the same degree, would it be wise and advantageous to carry on the trade under consideration, by an incorporated company. A nation, discovers its wisdom no less in departing from general maxims, where it is no longer wise to adhere to them, than in our adherence to them in ordinary circumstances. In fact it evinces a greater effort of reason. The first advance of a nation is marked by the establishment of maxims, which are deemed universal, but which farther experience and reflection teach to be only general, admitting of occasional modifications and exceptions.

Should the House however, not adopt these views, but prefer to open the trade to the enterprise of single individuals, or such associations as might be formed for the purpose, I would suggest the provisions already proposed for the trade with the neighboring tribes of Indians, as the most advisable, with the exception of the provisions, which require the trader to be located, and that regular books of sales and purchases should be kept. In lieu of which provisions, I would propose, that the goods intended for this branch of Indian trade, and the articles required by purchase from the Indians, should be entered under oath, the former with a copy of the invoice, and

the latter, with a statement of prices, with the Indian agent at Mackinaw, St. Louis, Belle Point, on the Arkansas river, or Natchitoches, on Red river; or such other places as the President may designate.

The entry can be made without much inconvenience to the trader, as the geography of the country is such, as to make it necessary for the trade to pass by one or the other of the points proposed, at each of which there is now an agent.

It is believed that these provisions would be as effectual as any that can be devised, short of a company incorporated for the purpose; but it is proper to observe, that they are open to the objections which have already been stated. In fact they equally apply to any system, so long as the trade is exposed to the effects which must flow from the jealous rivalry of independent traders, where law and authority cannot step in to restrain its consequences within proper bounds. The Indians themselves are not the proper judges of their own interests, and so far from restraining the effects of such rivalry, they would become the instruments of the most cunning and vicious of the traders, to wreak their vengeance on such as might stand in the way of their profits.

All which is respectfully submitted.

J. C. CALHOUN.